



## Standing Committee on Economy and Gender and Economic Equality

### **Inquiry into Annual and Financial Reports 2021-2022** **ANSWER TO QUESTION TAKEN ON NOTICE**

Asked by Ms Leanne Castley MLA on 10 November 2022: Ms Kareena Arthy took on notice the following question(s):

Reference: Hansard uncorrected proof transcript 10 November 2022, page 216-218

In relation to: Additional Spending after COVID support taken out

**THE CHAIR:** 2.1, yes. Page 140, it says that in the accountability indicators 2021-22, the result, the total cost, and there is a list of things in there, were \$347,464 million. And the footnote explains that this money is due to COVID payments. Some of it is due to COVID payments. So if I am correct, then on page 45 it talks about the amount specific to COVID so 347 is, if I am correct, that is the total spend for business and innovation.

Now when I look at page 45, the COVID amount provided by the ACT government for grants was \$313 million for business support grants, so I am now on page 45 to get this breakdown. \$13 million for the small business hardship scheme, approximately, \$13,360,000. 14 for the tourism and accommodation provider fund. So those three payments, 313, 13 and 14, if we take that away from 347, that leaves us around about \$7.4 million that has not been spent on COVID grants, is that correct? I am just wondering then if you could tell me with that remaining \$7.4, what it was spent on in the year?

**Ms Cheyne:** I think that is for Ms Arthy. But just give us a second, jumping around the pages is—

**Ms Arthy:** It is Kareena Arthy, Deputy Director General of Economic Development. I have read and understood the privileges statement. Ms Castley, I am just trying to reconcile with the different pages here in terms of how all the different—how they interact. In general, and I am only talking general because I may need to take the detail on notice to come back in terms of the 7.4.

The output for 3.1 covers, as well as the business support grants and all the COVID measures that were there for 21-22, it is our broader business support and business innovation team. And what I will need to do, and probably take on notice, is just reconcile exactly how—what that adds up to.

So some of the elements within that would be the work that we do with the Canberra innovation network, it would also be the work that we do around business—like the work with like Cyber Hub, things like that, that is all captured under that output so I am just doing this very quickly as I am looking here. So I might need to take it on notice to give you a more accurate answer.

**THE CHAIR:** Yes, please.

**Ms Arthy:** Unless my team can send me an answer before the estimates close today.

**THE CHAIR:** Yes, thank you. I am just keen to understand if when we take COVID out of the budget for business, if \$7.4 million was what was left and then yes, the line items that that went for. I know that, you know, the Canberra business chamber have said they would like to see a bit more, we have heard it from everybody. So I am just keen to understand is \$7.4 million enough and where did it go throughout the year? Also, and I am sure—

**Ms Cheyne:** And I think—so just drawing your attention to that page 140, Ms Castley, so the result was an expenditure over what the target was, so there was more support than what the original—or more expenditure in that space than what the original target was that is reflected there. So when we talk about underspends, it was already over the target. So—

**THE CHAIR:** Yes, can you tell me what over the target it was?

**Ms Cheyne:** So page 140, where you were. There is a column that says target and a column that says result.

**THE CHAIR:** Yes, so 47—

**Ms Cheyne:** Yes, so then there is the variants which is presented as a percentage and you can see that the target and the result are different.

**THE CHAIR:** Okay.

**Ms Cheyne:** And that is explained on the following page in the notes four and five.

**THE CHAIR:** Okay. And so, my understanding is the support grants though was the large part of that, the business support grants, however, the federal government gave half of that money. Need a calculator.

**Ms Arthy:** Yes, for the business support grants, the commonwealth government did pay half, to also draw your attention, again, I will confirm all this but in terms of what is available for the business on page 45, if you go down other grants, there is also innovation trade and investment which has a \$7.3 million.

But what I will do is confirm out of—either before the end of this or I will take it on notice, is to give you the accurate information about how the tables fit together.

**THE CHAIR:** Okay, okay, thank you.

**Tara Cheyne MLA:** The answer to the Member's question is as follows:—

NOTE 6. Grants and Purchased Services, p.45, Annual Report Volume 2.1

The table on p. 45, Volume 2.1 outlines grants provided by the Directorate to other ACT Government agencies or external parties for general assistance or for a particular purpose.

Business Support Grants (including Extension Payments) totalling \$312.806 million and Small Business Hardship Scheme grants totalling \$13.360 million were the only grants outlined in this table that were delivered through Output 3.1.

Table 8: Accountability Indicators Output 3.1, p140 Annual Report Volume 2.1

The total costs for Output 3.1 detailed in Table 8, p140 is \$347.464 million. This includes:

- \$312.806 million for Business Support Grants (including Extension Payments);
- \$13.360 million for Small Business Hardship Scheme grants;

The balance of \$21.298 million in Table 8 includes costs associated with grant programs and initiatives that promote economic development in the ACT in addition to the delivery of COVID-19 Business Support related grants. The initiatives include funding for:

- the CBR Innovation Network and the Innovation Connect Grants Program;
- sector development activities such as the establishment of the Canberra Cyber Hub and promotion of ACT sector capabilities at key industry conferences and exhibitions;
- Investment Attraction and Facilitation Services; and
- Promoting Canberra as Australia's leading tertiary education and research with a focus around promoting Canberra as a study destination for international and domestic students.

Approved for circulation to the Standing Committee on Economy and Gender and Economic Equality

Signature:



Date:

22/11/22

By the Minister for Business and Better Regulation, Tara Cheyne MLA